

# CONSTRUCTION INDUSTRY SURVEY

ECONOMIC INDICATORS **CNI**

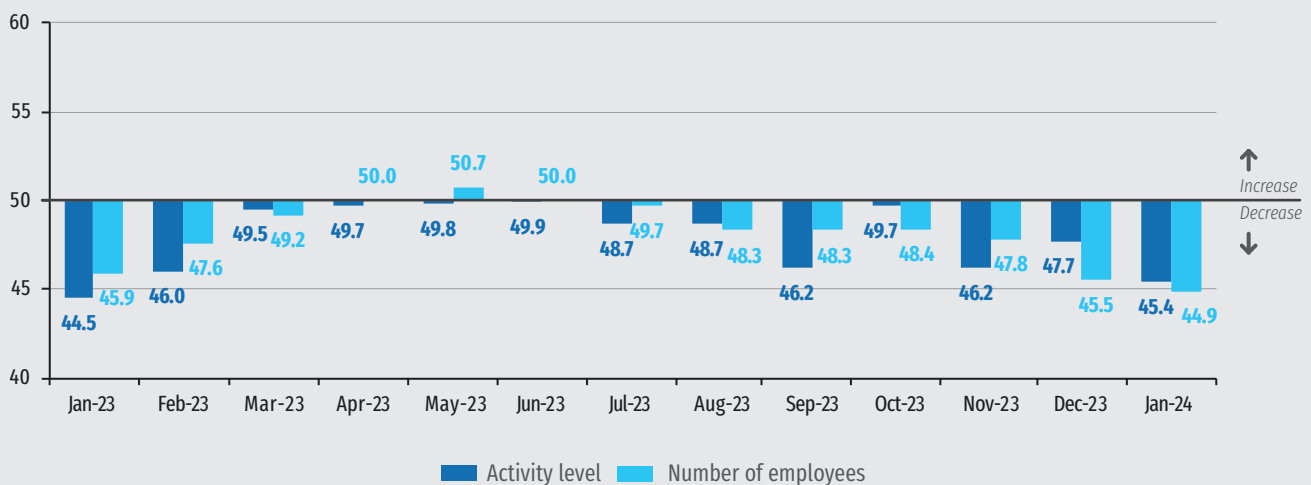


## Activity and employment showed average performance above expectations for January

The activity level and the number of employees in the construction industry began 2024 in decline, distancing themselves from the dividing line of 50 points. Although a weaker performance is typically expected in the month of January, both the activity index and the employment index showed average behavior above expectations for the months of January.

Confidence and expectations fell from January to February. The indices remain above 50 points, which indicates that business owners remain optimistic, but optimism is less widespread than in the previous month. Meanwhile, investment intentions have declined, but are still above the historical average.

**Activity level and number of employees evolution indices**  
Indices (0 to 100 points)\*



\*A score above 50 indicates an increase in activity or employment compared to the previous month. A score below 50 indicates a decrease in activity or employment compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation.

## PERFORMANCE OF THE CONSTRUCTION INDUSTRY IN JANUARY 2024

### Activity and employment decline, but remain above expectations for January

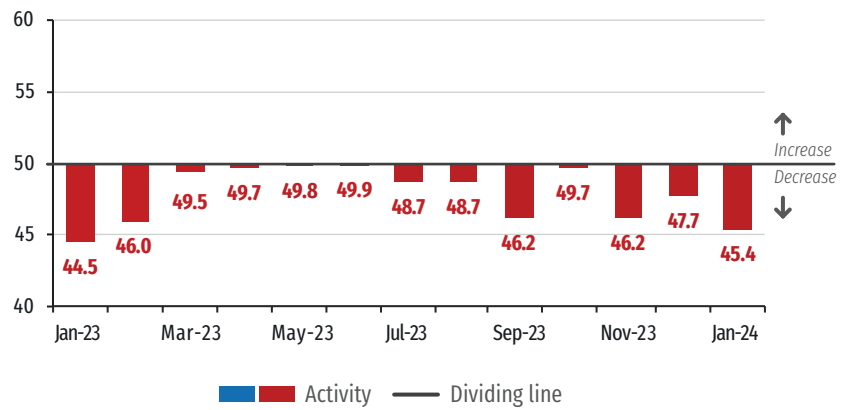
The activity level evolution index of the construction industry was 45.4 points, a drop of 2.3 points from December 2023 to January 2024. With this, the indicator moves further away from the dividing line of 50 points, which separates the increase from the decrease in activity.

Although the activity level is typically weaker at this time of year, the activity index in January 2024 was 0.9 point higher than that recorded in January 2023 and 1 point higher than the average for January of previous years (44.4 points). In other words, the decline in activity from December 2023 to January 2024 was milder than in previous years.

The number of employees evolution index in construction fell for the third consecutive month. In January 2024, the index fell 0.6 point, to 44.9 points. Despite this, the index is above the average behavior expected for the months of January, at 44.1 points.

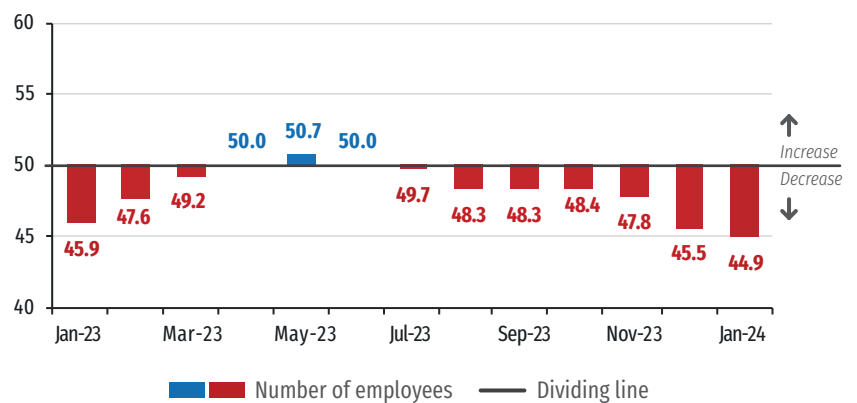
#### Activity level evolution

Indices (0 to 100 points)\*



#### Number of employees evolution

Indices (0 to 100 points)\*



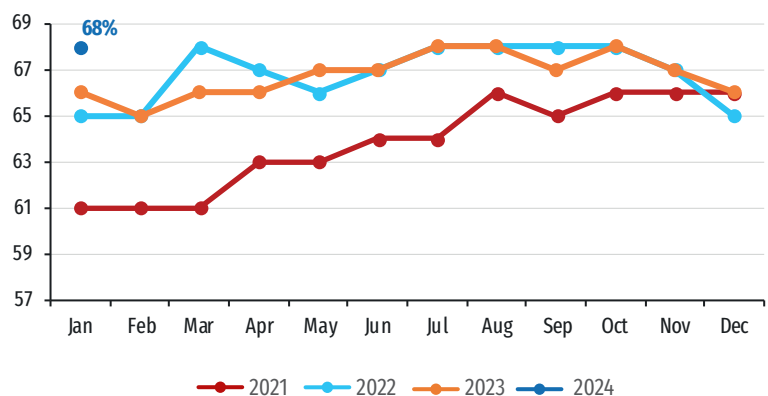
\*A score above 50 indicates an increase in activity or employment compared to the previous month. A score below 50 indicates a decrease in activity or employment compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation.

### UCO starts 2024 with a rise

The utilization of operational capacity (UCO) advanced 2.0 percentage points (pp) in January 2024, compared with December 2023, moving to 68%. This is an increase of the same magnitude (+2.0 pp) compared with January 2023.

#### Utilization of operational capacity

Percentage (%)



## CONSTRUCTION INDUSTRY BUSINESS CONFIDENCE INDEX IN FEBRUARY 2024

### Construction confidence is less widespread

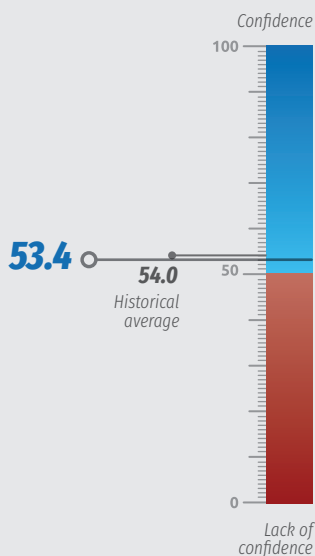
The Industry Business Confidence Index (ICEI) of the construction industry fell 2.1 points in February 2024, compared with January 2024, moving to 53.4 points. The indicator is above 50 points, showing that entrepreneurs are confident, but confidence is less intense and widespread.

All components of the index contributed to the month's decline. The current conditions index, which assesses the current conditions of the company and the Brazilian economy, stood at 48.7

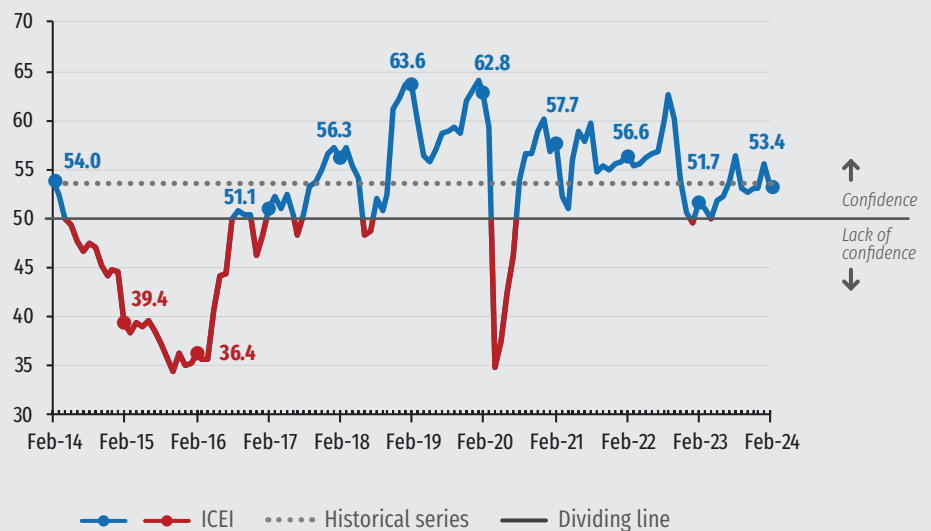
points. The decline of 1.3 points from January to February resulted in a transition of the index from a level of neutrality to one of lack of confidence. This means that entrepreneurs have begun to identify a worsening of current conditions.

The expectations index, which measures the perspectives of construction entrepreneurs with respect to the company and the Brazilian economy, fell to 55.8 points. The 2.5 point drop in the index is a result of the worsening of both expectations regarding the company and expectations regarding the Brazilian economy. The result for February shows that entrepreneurs are confident, but confidence for the coming months is less intense and widespread.

**Construction ICEI**  
Indices (0 to 100 points)\*



**Recent Series**  
Indices (0 to 100 points)\*



\*Values above 50 points indicate business confidence and the higher above 50 points, the greater and more widespread is the confidence. Values below 50 points indicate a lack of business confidence and the lower below 50 points, the greater and more widespread is the lack of confidence.

## EXPECTATIONS OF THE CONSTRUCTION INDUSTRY IN FEBRUARY 2024

### Expectations for the coming months have declined, but remain at a positive level

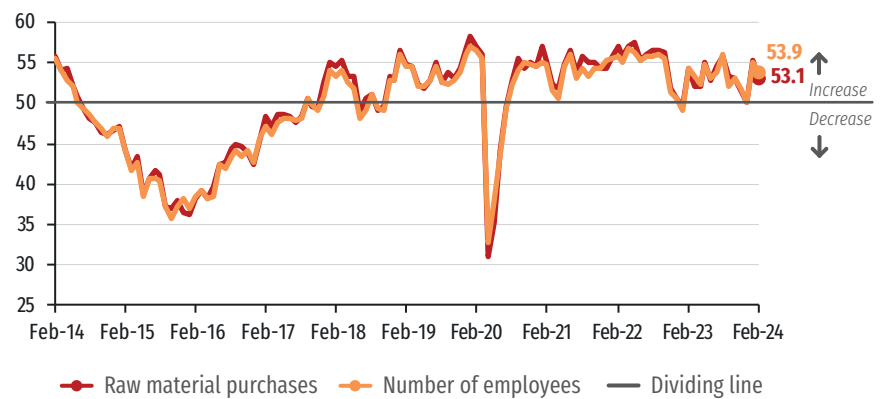
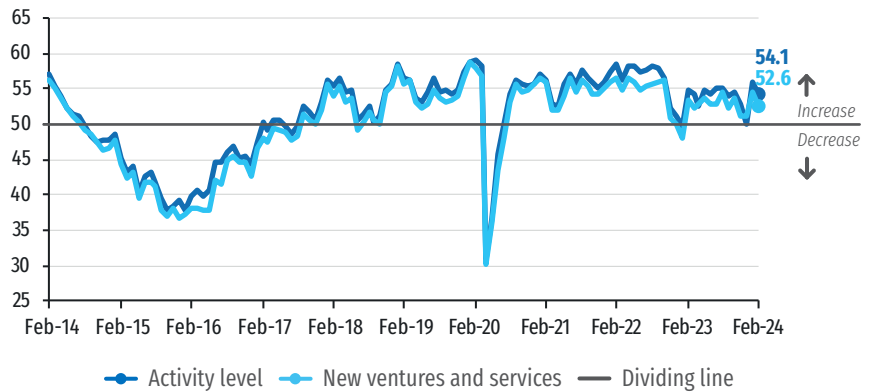
All expectation indices fell from January to February 2024; however, despite the drop, the indicators are at a positive level, above 50 points, indicating optimistic expectations for the coming months.

The expectation index of the construction entrepreneur in relation to the level of activity fell 1.8 points in February, moving to 54.1 points. The new developments and services expectation index fell 2.0 points, reaching 52.6 points in February.

The purchase of input and raw materials expectation index decreased 2.1 points from January to February, moving to 53.1 points. The number of employees expectation index fell 1.1 points in the same comparison, moving to 53.9 points.

#### Expectations indices

Indices (0 to 100 points)\*



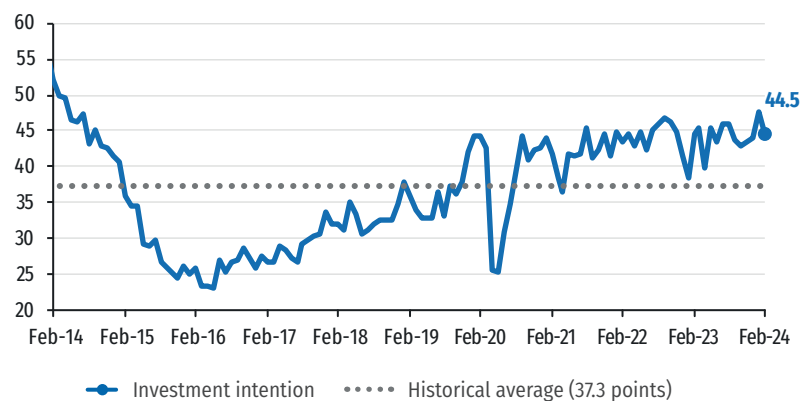
\*Values above 50 points indicate an expectation of growth. Values below 50 points indicate an expectation of decline. The further away from 50 points, the greater and more widespread is the expected variation.

### Investment intention shows a decrease in February

The investment intention index of the construction industry fell 3.2 points from January to February, moving to 44.5 points. With the result of the month, the investment intention reduces its distance in relation to the historical average, of 37.3 points.

#### Investment intentions

Indices (0 to 100 points)\*



\*The higher the index, the greater the industry's propensity to invest.

## RESULTS

### Construction industry performance

	CAPACITY UTILIZATION (%) <sup>1</sup>			ACTIVITY LEVEL VARIATION INDEX <sup>2</sup>			EFFECTIVE ACTIVITY LEVEL INDEX COMPARED TO USUAL LEVELS <sup>3</sup>			NUMBER OF EMPLOYEES VARIATION INDEX <sup>2</sup>		
	Jan-23	Dec-23	Jan-24	Jan-23	Dec-23	Jan-24	Jan-23	Dec-23	Jan-24	Jan-23	Dec-23	Jan-24
<b>SURVEY</b>	<b>66</b>	<b>66</b>	<b>68</b>	<b>44.5</b>	<b>47.7</b>	<b>45.4</b>	<b>42.8</b>	<b>44.5</b>	<b>43.5</b>	<b>45.9</b>	<b>45.5</b>	<b>44.9</b>
Small	60	59	<b>60</b>	42.5	43.0	<b>43.9</b>	42.9	40.7	<b>42.3</b>	44.0	42.8	<b>43.9</b>
Medium	63	64	<b>65</b>	43.4	46.6	<b>45.5</b>	41.8	43.3	<b>43.6</b>	46.2	47.1	<b>48.5</b>
Large	70	70	<b>73</b>	45.8	50.0	<b>45.9</b>	43.4	46.6	<b>43.9</b>	46.5	45.6	<b>43.2</b>

### Expectations of the construction industry

	EXPECTATION INDICES <sup>4</sup>												INDEX OF INTENTION TO INVEST <sup>5</sup>		
	ACTIVITY LEVEL			NEW ENTERPRISES AND SERVICES			INPUT AND RAW MATERIAL PURCHASE			NUMBER OF EMPLOYEES					
	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24
<b>SURVEY</b>	<b>54.8</b>	<b>55.9</b>	<b>54.1</b>	<b>53.4</b>	<b>54.6</b>	<b>52.6</b>	<b>54.4</b>	<b>55.2</b>	<b>53.1</b>	<b>54.2</b>	<b>55.0</b>	<b>53.9</b>	<b>44.7</b>	<b>47.7</b>	<b>44.5</b>
Small	54.7	56.3	<b>51.6</b>	53.5	52.5	<b>50.0</b>	53.0	53.2	<b>50.0</b>	53.9	53.8	<b>52.4</b>	39.2	42.2	<b>39.8</b>
Medium	54.8	53.6	<b>55.1</b>	53.9	54.4	<b>54.0</b>	53.3	53.6	<b>54.5</b>	53.9	52.5	<b>53.4</b>	44.3	46.0	<b>44.3</b>
Large	54.9	57.1	<b>54.4</b>	53.1	55.4	<b>52.7</b>	55.6	56.8	<b>53.4</b>	54.5	56.8	<b>54.7</b>	46.9	50.7	<b>46.3</b>

### Construction Industry Business Confidence Index and its components

	ICEI – CONSTRUCTION <sup>6</sup>			INDEX OF CURRENT CONDITIONS <sup>7</sup>			EXPECTATIONS INDEX <sup>8</sup>		
	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24	Feb-23	Jan-24	Feb-24
<b>SURVEY</b>	<b>51.7</b>	<b>55.5</b>	<b>53.4</b>	<b>47.4</b>	<b>50.0</b>	<b>48.7</b>	<b>53.8</b>	<b>58.3</b>	<b>55.8</b>
Small	50.1	54.1	<b>52.6</b>	44.8	47.3	<b>47.2</b>	52.7	57.5	<b>55.3</b>
Medium	51.5	53.7	<b>53.7</b>	47.2	48.6	<b>49.0</b>	53.7	56.3	<b>56.0</b>
Large	52.3	57.0	<b>53.6</b>	48.4	51.7	<b>49.1</b>	54.3	59.7	<b>55.8</b>

1 - The indicator varies within the range from 0% to 100%. The series started in January 2012.

2 - The indicator varies within the range from 0 to 100. Values above 50 show an increase.

3 - The indicator varies within the range from 0 to 100. Values above 50 show higher activity than usual.

4 - The indicator varies within the range from 0 to 100. A score above 50 points indicates positive expectations.

5 - The indicator varies within the range from 0 to 100. The higher the value, the greater the intention to invest.

6 - The ICEI – Construction varies within the range from 0 to 100. A score above 50 points indicates the entrepreneur is confident.

7 - The indicator varies within the range from 0 to 100. A score above 50 points indicates a better status when compared to the last six months.

8 - The indicator varies within the range from 0 to 100. A score above 50 points indicates optimistic expectations for the next six months.



#### Technical specifications

##### Sample profile

333 companies: 127 small, 132 medium and 74 large.

##### Collection period

1 to 16 February 2024.

Document completed on February 22, 2024.



#### Learn More

For further information on sectorial and regional results, previous issues, methodology, and historical series, please visit: [www.cni.com.br/e\\_sondconst](http://www.cni.com.br/e_sondconst)

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